IN THE UNITED STATES BANKRUPTCY COURT FOR THE MIDDLE DISTRICT OF TENNESSEE NASHVILLE DIVISION

IN RE:)	
LEN SALAS)	CASE NO. 3:18-BK-02662
DEBTOR.)	CHAPTER 11 JUDGE HARRISON
NICOLAAS BREKELMANS AND)	
GAIL GREGORY BREKELMANS,)	
CO-PERSONAL REPRESENTATIVES OF)	
THE ESTATE OF NINA BREKELMANS)	
	í	
and	í	
	í	
MICHAEL MCLOUGHLIN AND	í	
MARTHA JOHNSON, CO-PERSONAL)	
REPRESENTATIVES OF THE ESTATE)	
OF MICHAEL PATTRICK MCLOUGHLIN,	í	
or merrials true recoording,)	
PLAINTIFFS,)	
)	
v.)	Adv. Pro. No. 3:20-ap-90027
)	
MAX SALAS,)	
DEFENDANT.)	
DEFERDANT.)	

AFFIDAVIT OF MAX SALAS

DISTRICT OF C	OLUMBIA)
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- I, Max Salas, hereby state under oath that the following statements are true and correct:
- 1. I am over the age of 18 and competent to testify. I have personal knowledge of all facts contained in this affidavit.
- I owned the real property located at 1610 Riggs Place, NW, Washington,
 D.C. (the "Property") with my former wife, as husband and wife, until 2007.

- 3. In 2007, my wife and I divorced, and I was ordered to pay my ex-wife a portion of the equity in the Property.
- 4. I wanted to stay in my home, so I decided that I would take out a loan against the Property in order to fund the payment to my ex-wife.
- 5. Upon seeking financing for the payment, I learned that I was not credit worthy to borrow the funds.
- 6. To facilitate this transaction, I quitclaimed the Property to my son, Len Salas, who then borrowed \$870,000 against the Property.
- 7. My ex-wife received the proceeds of the loan.
- 8. Len Salas received no proceeds from the loan nor did he pay anything in exchange for the quitclaim deed.
- 9. At the time that the Property was quitclaimed to Len Salas, I promised to refinance the loan and remove his name from both the loan and the title to the Property as soon as possible.
- 10. I made multiple attempts to refinance the Property over a number of years but found each time that I was unable to qualify for a loan.
- In 2010, with the assistance of my son Ron Salas, who was an attorney in Colorado, I decided to have the Property quitclaimed from Len Salas to a trust, in hopes that the trust could then borrow the funds to remove Len Salas from the loan and the title to the Property.
- 12. Len Salas executed a quitclaim deed (the "2010 Quitclaim Deed") to the1610 Riggs Place Trust (the "Trust") in July 2010.

- 13. Attempts to refinance the Property in the name of the Trust were ultimately unsuccessful and the 2010 Quitclaim Deed was never recorded.
- 14. The Property was never Len Salas' primary residence.
- 15. Len Salas never made a single mortgage payment on the Property.
- 16. Len Salas never paid any property taxes on the Property.
- 17. Len Salas never paid for any upkeep on the Property.
- 18. After the fire, I exclusively oversaw and paid for the renovation and rebuilding of the structure on the Property.
- 19. I rented out rooms in the Property through an entity known as the "CLR Trust".
- 20. Len Salas had no involvement with the CLR Trust.
- 21. I dealt with tenants, signed leases, and accepted rent payments on behalf of CLR Trust.
- 22. I deposited all rent checks into an account in the name of CLR Trust, for which I was a signatory.
- 23. Len Salas was never involved in the leasing of the Property, nor did he receive any portion of the rents paid for rooms in the Property.
- 24. Prior to the filing of the petition in Len Salas' bankruptcy case, the Plaintiffs in this case had actual knowledge that I lived in the Property, signed leases for the Property, accepted rent for the Property, and that Len Salas had quitclaimed his interest in the Property in July 2010.

FURTHER AFFIANT SAYETH NOT

DISTRICT OF COLUMBIA

Subscribed and sworn to before me this Joth day of August, 2022.

Notary Public

My Commission Expires: 07/31/2027

Endurance N. Arinze Notary Public, District of Columbia My Commission Expires 07/31/2027 **District of Columbia**

Signed and sworn to (or affirmed) before me on 08 110/22 by Endurance Annze

My commission expires